

26 May 2009



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Judge Jane Rodda  
Arizona Corporation Commission  
Docket Control  
1200 West Washington St.  
Phoenix, AZ 85007

ARIZONA CORP. COMM  
400 W CONGRESS STE 218 TUCSON AZ 85701

Re: Addition to SSVEC rate case, docket # E-01575A-08-0328

Dear Honorable Judge Rodda:

SSVEC has repeatedly told this community that the existing 23kV line "has reached its maximum capacity, and in fact has exceeded it several times recently." They have also said that the new 69kV line must be built now or "SSVEC will have no choice but to invoke a moratorium on new services". This is a blatant scare tactic. Their current data does not support these statements (see accompanying letter and attachments).

I cannot support a rate increase request when my *cooperative* is planning to build an expensive new line to a community that does not require nor want this. The \$13.5 million expense does not even include the additional distribution loops; more funds will be required. This will all roll into increased rates in our future.

With the current economic conditions, it makes more sense for our *cooperative* to spend less money and provide the community with distributed renewable energy instead of building a new corridor that will disturb ancient archeological sites, disrupt endangered species and destroy the fragile grasslands.

The community is working hard to provide a viable, cheaper means to give this area reliable, locally generated power from renewable energy. My message to SSVEC is:

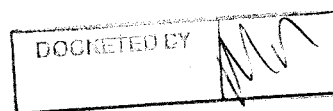
"Stop spending my cooperative dollars on something that your data does not justify and that will have a negative impact on my future rates. Listen to your cooperators and work with them to provide reliable power that will not only save the cooperative money in the short term but also make the cooperative money in the long term as green credits increase in value."

Respectfully,

Jeanne Horsmann  
PO Box 334  
Sonoita, AZ 85637  
520-455-5137

Arizona Corporation Commission  
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AZ CORP COMMISSION  
DOCKET CONTROL

Attach: Horsmann Letter read to SSVEC Management and Board of Directors - 5/26  
(original and 13 copies)

26 May 2009

Letter to SSVEC Management and the Board of Directors:

I'm sorry I couldn't be here today but I thought it was important to attend TEP's seminar on Energy Efficient and Conservation Block Grants so I can bring this information back to the local businesses.

The Arizona Department of Economic Security estimates that the Elgin, Sonoita, and Patagonia area currently has a population of 3,400 (attachment 1). It forecasts that the population will increase by only 60-70 people a year for the next 10 years.

Using SSVEC's Demand Curve data (attachment 2), if you take the maximum kilowatts used in any ½ hour period (6,800 kW at 8:30 am in the winter) in the last 12 months and divide by the current population you come up with a usage of 2 kW/person. Now multiply that by the additional 70 people and you get 145 additional kW needed per the County's projections. This is the maximum needed. Add that to 6,800 kW and you are still below the 7,000 kW line maximum and that is for **a half-hour period on only one or 2 days last year** (see attachment 3).

But, the population of this area is not increasing by the projected 70 people annually. New home sales have been stagnant for the last 18 months. We are not in any imminent danger of maxing out the current line.

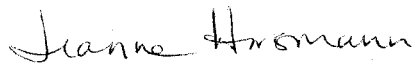
And, in fact, because of the high local interest in renewable energy our projected energy use will instead decrease.

- Patagonia is actively pursuing a small renewable energy plant
- The Sonoita/Elgin area is also pursuing small renewable energy plants
- 13 local businesses have already met with a grant writer concerning USDA grants, plus there were others unable to attend
- Numerous individuals are currently negotiating with renewable installers
- There are ongoing efforts to reduce usage by educating people on how to save energy.

I am asking you, the Board members, to reevaluate the need for the 69kV line. This area does not require it at the present time as shown by SSVEC data, and active steps are being taken to prevent its need in the future. These next few years are an exciting time for us, Arizona and the US regarding distributive power. Homeland security depends on distributive power, and here on the border we are poised to lead the way. We can become the model for rural communities not only in Arizona but across the US as well.

Let SSVEC's management know that you, as Board members, are in favor of what this community is trying to do. Stop construction of the 69kV line. There are cheaper and more progressive alternatives. Work with the community to provide distributed renewable energy. The SSVEC Cooperative can set precedence for other cooperatives to emulate.

Thank you,

A handwritten signature in cursive script that reads "Jeanne Horsmann".

Jeanne Horsmann

CC: Arizona Corporation Commission  
Judge Rodda  
John Maynard

# Attachment 1

## Arizona Subcounty Population Projections

July 1, 2006 to July 1, 2055

by County, Census County Division, Place, and Reservation

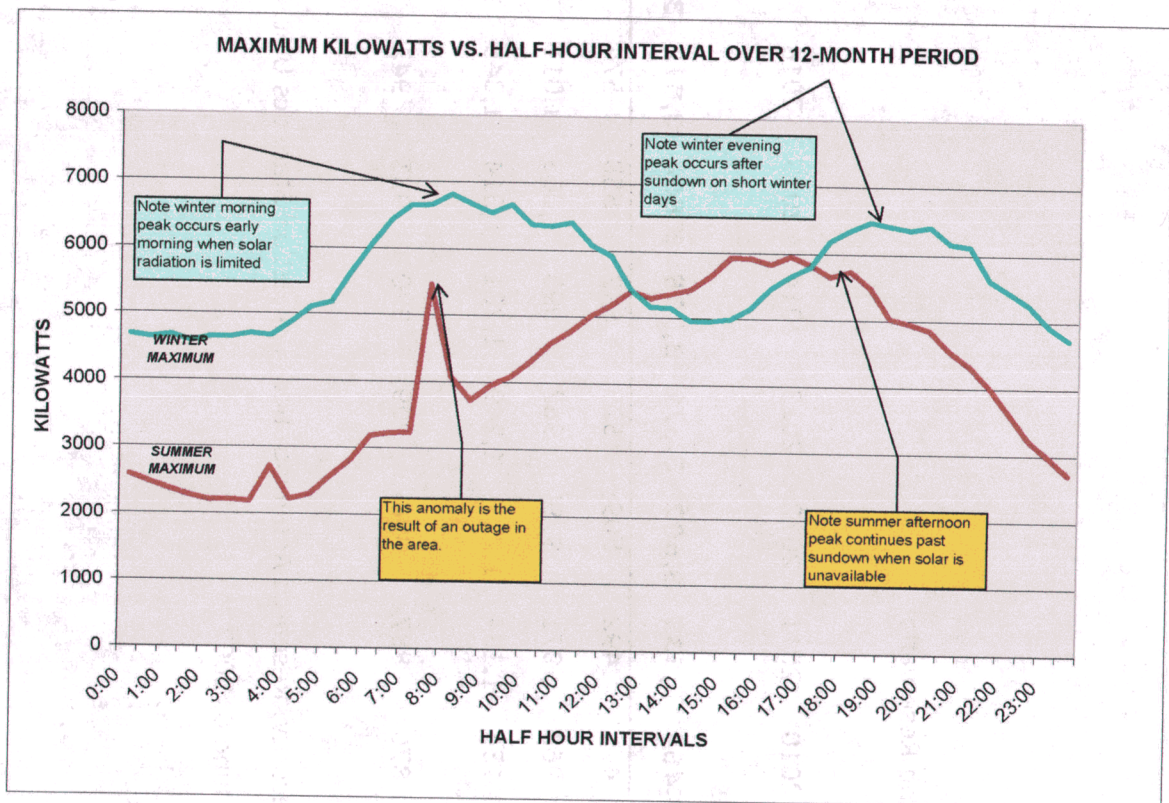
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Patagonia CCD</b>	<b>3,323</b>	<b>3,394</b>	<b>3,464</b>	<b>3,533</b>	<b>3,602</b>	<b>3,671</b>	<b>3,738</b>	<b>3,806</b>	<b>3,872</b>	<b>3,937</b>	<b>4,000</b>	<b>4,063</b>	<b>4,124</b>
Elgin CDP	441	458	475	492	509	525	542	558	574	590	605	621	636
Patagonia town	946	954	962	971	979	987	995	1,003	1,011	1,019	1,026	1,034	1,041
Sonoita CDP	1,084	1,117	1,151	1,184	1,217	1,249	1,281	1,314	1,345	1,376	1,406	1,436	1,465
Remainder of Patagonia CCD	853	864	876	887	898	909	920	931	942	952	963	973	983

Source: Arizona Department of Economic Security, Research Administration, Population Statistics Unit, 12/01/06.

Seago / DES Population Statistics approved June 6, 2007

## Attachment 2

In response to Ms. Getzwiller's first request for *The "demand curve" for peak demands, that show Mega Watts used verses time of day*, SSVEC submits the graph below. The data represent peak summer demand (shown in red) and peak winter demand (in green) recorded during each 30-minute period recorded between May 1, 2008 and May 1, 2009.





### Attachment 3

In response to Ms. Getzwiller's second request *What were the demand curves for Sonoita, Elgin and Patagonia, for one years time (any 12 month period will do)*, SSVEC submits the following graph. The data reflect peak demand recorded on a two-minute interval from May 1, 2008 and May 1, 2009.

